



CITY OF DURHAM | NORTH CAROLINA

Date: October 22, 2013

To: Thomas J. Bonfield, City Manager

Through: W. Bowman Ferguson, Deputy City Manager

From: Joel V. Reitzer, Jr., Director, General Services Department

Subject: Church Street Parking Deck Repair Contract with Tendon Systems LLC

Executive Summary

On September 3, 2013, two bids were received for the Church St. Parking Deck Repair Project, from Tendon Systems, LLC and Stone Restoration of America. Since three bids are required for projects bid in the formal range, the bids were not opened and the project was rebid on September 17, 2013. On the rebid, one bid was received from Tendon Systems LLC, making them the apparent low bidder. The base scope of work was bid at \$907,916.00 and includes structural repairs throughout the deck to the steel frame and concrete slabs, metal deck repairs, elevated ramp replacement, repair of all stairs, lead paint abatement as required for steel repairs, replacement of expansion joints and sealants, silane sealer application, and restriping of all parking stalls. The base scope of work also includes the addition of 2 accessible van spaces and improvements to the accessible path, connecting all accessible spaces in the deck to the public way.

As the lowest bid received was over budget, the City was able to negotiate with Tendon Systems, in accordance with NC General Statute 143-129, for a \$24,010.00 reduction in the base bid amount, down to \$883,906.00. The General Services Department recommends accepting bid alternate #5, to power wash all exposed brick surfaces in the deck and contain, collect and dispose of all wastewater per City of Durham requirements for \$12,000.00, for a total contract of \$895,906.00.

Recommendation

The General Services Department recommends that the City Council:

1. Authorize the City Manager to execute a construction contract for the Church Street Parking Deck Repair with Tendon Systems LLC in the amount of \$895,906.00, which includes the base bid and recommended alternate.
2. Establish a project contingency in the amount of \$89,500.00 and authorize the City Manager to negotiate and execute change orders on the Church Street Parking Deck Repair construction contract, provided the total project cost does not exceed the amount budgeted for construction phase plus the project contingency.

Background

The Church Street Parking Deck was built in 1974, and there have been no major alterations, improvements, or maintenance efforts undertaken at the deck since it was constructed. City Council appropriated \$508,000 in 2009, and contracted with Kimley-Horn and Associates, Inc. (KHA) to perform a condition assessment of the structure. This report noted areas of concern ranging from traffic striping and painting to structural repairs, waterproofing issues and exterior brick repairs. KHA proposed a recommended course of action based on items identified as Priority 1 (life safety and envelope repairs), Priority 2 (functionality improvements and deferred maintenance), and Priority 3 (aesthetic improvements and repairs). In FY2011-2012, City Council approved a CIP request for \$750,000.00 to supplement existing funds to address the Priority 1 items. CIP Ordinance #14286 reduced the amount available for Church St. Deck repairs by \$183,767.00 in order to fully fund the Chapel Hill Deck construction project.

In the Fall 2011, the General Services Department negotiated with KHA to perform design services for the Priority 1 items, and in Spring 2013 the City amended their contract to include design services to correct accessible parking deficiencies in the deck, as required by the DOJ Settlement Agreement.

Issues/Analysis

Structural integrity and repairs need to be addressed before the deck loses operational functionality. The Church St. Deck services key areas of downtown, such as City of Durham and Durham County facilities, Durham Performing Arts Center (DPAC), and other attractions. Maintaining the full functionality of the parking deck is a key element to a successful downtown.

Due to low response when the project was rebid, all contractors from which bids were expected were contacted for input. Reasons for the low participation included an active bidding environment, scope being outside the contractor's range of expertise, and the extensive lead paint abatement in the scope. In addition, the scope of work was thoroughly vetted with Tendon Systems by the engineer and City staff. Since the lowest bid received was over budget, the City was able to negotiate with Tendon Systems, resulting in a clearer understanding of the scope by the contractor and a \$24,010.00 reduction in the base bid amount. This brought the bid within 1.6% of the engineer's cost estimate. Further, Tendon Systems has provided adequate documentation, confirming their ability to meet the minimum qualifications established by the engineer for steel repairs, concrete repairs, lead paint abatement and parking deck work in general. References provided for Tendon Systems have been contacted and favorable reviews have been received.

Alternatives

An alternative is to not proceed with the Project. Staff recommends against this alternative as financial resources have been allocated to fully fund this project. Failure to repair the items identified as Priority 1 could result in closure of the deck for safety reasons. The ADA improvements included the scope are required as part of the DOJ Settlement Agreement.

Financial Impacts

Project Funding Sources:

Certificates of Participation (3307C901-CH201)	\$18,114.74
Certificates of Participation (3307C980-CH201)	\$777.75
2012 TWO-THIRDS BOND (3307C990-CH200)	\$77,527.51
2009 LOBS (3304C950-CC015)	\$508,000.00

2012 TWO-THIRDS BOND (3304C990-CC015)	\$566,233.00
Total appropriated funds	\$1,170,653.00

Funding Uses Summary:

Design Services	
Structural Assessment – overall garage (KHA)	\$28,300.00
Structural Assessment – stairs and expansion joints (Stantec)	\$15,554.00
Structural Repairs (KHA)	\$94,050.00
Design Contingency	\$3,000.00
Subtotal Design Services	\$140,904.00
Construction Contract (Tendon Systems)	\$895,906.00
Construction Contingency (10%)	\$89,500.00
Other expenses	\$44,343.00
Total Project Budget	\$1,170,653.00

Current Financial Impact:

2009 LOBS (3304C950-731000-CC015)	\$257,153.00
2012 TWO-THIRDS BOND (3304C990-731000-CC015)	\$566,233.00
2012 TWO-THIRDS BOND (3307C990-731000-CH200)	\$72,520.00
2012 TWO-THIRDS BOND (3304C950-731900-CC015)	\$89,500.00
Total Current Contract and Contingency	\$985,406.00

SDBE Summary

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Tendon Systems, LLC of Suwanee, Georgia to determine compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting. The goals for this project are MSDBE 3% and WSDBE 1%. It was determined that Tendon Systems, LLC did not meet the goals and did not demonstrate good faith efforts in meeting the stated goals. Following an appeal hearing, Tendon Systems, LLC was awarded the project in the best interest of the City.

SDBE REQUIREMENTS

Subsequent to the bid opening, Tendon Systems, LLC subcontracted with Steel City Services of Durham, a MSDBE, to do 6% (\$50,850) and Calamar, Inc. of Durham, a WSDBE, to do 1% (\$12,500) of the work on this project.

WORKFORCE STATISTICS

The workforce statistics for Tendon Systems, LLC are as follows:

Total Workforce	71	
Total Females	11	15%
Total Males	60	85%
Black Males	20	29%
White Males	22	31%
Other Males	18	25%
Black Females	3	4%
White Females	7	10%
Other Females	1	1%